

INFORMATION REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law. 25X1

S-E-C-R-E-T

COUNTRY	Czechoslovakia	REPORT	
SUBJECT	New Klement Gottwald Foundry in Kuncice	DATE DISTR.	16 September 1955 25X1
		NO. OF PAGES	2
DATE OF INFO.		REQUIREMENT NO.	RD
PLACE ACQUIRED		REFERENCES	25X1
DATE ACQUIRED			

This is UNEVALUATED Information

SOURCE EVALUATIONS ARE DEFINITIVE. APPRAISAL OF CONTENT IS TENTATIVE.

1. The New Klement Gottwald Foundry (Nova Hut Klementa Gottwalda) in Kuncice was under the control of the Vitkovice Klement Gottwald Iron Works in Ostrava until about 1952 but now has an independent management. The installations were set up and started by the Germans to operate as an addition to the Vitkovice works. The original installations included: two blast furnaces, capacity 800-1,000 tons; about 10 Siemens-Martin furnaces; the beginnings of a Mannesmann tube-rolling mill, automatically controlled; and threading, grinding, and straightening machines, etc. 25X1
2. In about 1948, the tube mill began regular production.¹ A hot reducing plant was added in 1949-1950 for reducing from 4½-inch to 3½-inch and 3-inch. This was made at Vitkovice. In 1947 a number of electric furnaces were set up.
3. Also in 1949-1950 there were installed: two more blast furnaces, of 800-1,000 tons estimated capacity, which were built with Soviet technical advice; an agglomerating plant for treatment of coke; a very heavy forging press and other forging plant, built mostly at Vitkovice; and a heavy and medium casting plant.
4. In mid-1954 a continuous billet mill finally started production. It should have been completed, according to plan, as far back as 1951, but shortage of quite small parts, such as valves, held up the start of its activity. 25X1
25X1
25X1
The mill is intended to supply other works with billets.
5. Machines of various kinds have been supplied for Kuncice by the Russians, mostly in 1949-1950, although there have been one or two later deliveries. Threading machines, in particular, have been of very poor appearance and performance; there is still a consignment of these machines lying unused at Kuncice because they would not work. They were copies of American models. Machines for registering the hydraulic pressure of pipes, also supplied by the Russians, were found to be incapable of dealing with the pressures specified by the Russians themselves in their contract with the Foundry. These examples

S-E-C-R-E-T

25X1

STATE	X	ARMY	X	NAVY	X	AIR	X	FBI		AEC				
-------	---	------	---	------	---	-----	---	-----	--	-----	--	--	--	--

(Note: Washington distribution indicated by "X"; Field distribution by "#")

INFORMATION REPORT INFORMATION REPORT

S-E-C-R-E-T

25X1

of Soviet industrial and administrative inefficiency caused some disillusionment among the Communist staff.

6. The rolling speeds of the tube rolling mill are considered to be neither more nor less than the average speed in any large Western European works. The length of the rolls cannot exceed 10½ meters for adjusted ends and 11 meters for plain ends. For the length of the roll to be increased, a conversion of the mill on a major scale would be necessary. This limitation of length is no obstacle when the plant is working to GOST standards.
7. The Russians themselves pressed for the development of increased output of the mill from 1948 onwards, but were interested only in oil pipes in the 4-inch to 9 5/8-inch range. Since they guaranteed to take everything that could be produced in this range for the future, no facilities were installed for the production of pipes below or above these diameters.
8. Output increased gradually from about 8,000 tons of pipes in 1948 to 30,000 tons or more in 1953. Since then output has dropped to 25,000 or possibly 20,000 tons, since the Russians, in 1954 and again in 1955, unexpectedly decreased their imports of pipes.² Output is likely to go down still further in the future, since there is now little demand for these pipes. Already only two restricted shifts are being worked instead of three, as in all other mills in the country.
9. Some 500 workers are employed in the production of these pipes, and some 5,000 workers are employed in the rest of the works. Many women are employed, in hot as well as cold processes.
10. Like the tube-rolling mill, the melting, forging, casting and billet-rolling shops are probably not operating at full capacity, but this is not certain. At any rate, it can be safely said that projects for the development of the Kuncice works on a very large scale appear to have been abandoned for the time being. The current output of these shops is not known.
11. There is a severe shortage of adequate working accommodation at Kuncice. Constant changes of plan have caused low morale among workers and staff, and the administration is very bad.
12. There has been a good deal of trouble with the power plant, which is thermoelectric. There have been several floodings, and two or three years ago it was put out of commission for some days from this cause. Other difficulties have occurred, which cannot be specified, but it is believed that these have now all been overcome.
13. The managing director is Polansky (fnu), a Communist Party man, formerly manager of a steel works. The manager of the tube-rolling mill is Halvik, who is thought to be a convinced Communist.

25X1

25X1

S-E-C-R-E-T

25X1